

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7190

BILL NUMBER: SB 504

DATE PREPARED: Feb 24, 2002

BILL AMENDED: Feb 21, 2002

SUBJECT: Delay of Uninsured Parents Program.

FISCAL ANALYST: Alan Gossard

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FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill delays the effective date of the Uninsured Parents Program for two years. It also reinstates the Hospital Care for the Indigent program (which was otherwise repealed July 1, 2004) until June 30, 2004.

The bill also amends the hospital's reimbursement calculation.

Effective Date: (Amended) July 1, 2000 (retroactive); July 1, 2001 (retroactive); January 1, 2002 (retroactive); July 1, 2002; July 1, 2003.

Explanation of State Expenditures: There should be no net impact from reinstating the HCI program. The Uninsured Parents Program was established by SEA 561-2001, and its implementation was not expected to have an impact on state expenditures. Consequently, delaying the implementation of the UPP by two years should have no fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) This bill also amends the reimbursement methodology for hospitals in the Medicaid program. The change will allow hospitals the opportunity to receive the higher of: (1) an amount calculated in proportion to the hospital's "hospital-specific limit" (as in current statute); or (2) an amount equal to the reimbursement payable under the Medicaid "upper payment limit" methodology. Consequently, this provision may positively impact the reimbursement of some municipally or county-owned hospitals.

State Agencies Affected:

Local Agencies Affected: Some municipally or county-owned hospitals.

Information Sources: Tim Kennedy (Hall, Render, Killian, Heath, and Lyman), (317) 633-4884.